

Example illustration

Purpose of this example illustration

This isn't a personal illustration, it is based on the assumptions detailed later on in this document. The purpose of the illustration is to show how fund related costs and charges can affect the overall value of the funds you invest in over time.

Fund transaction costs and charges total (%)

	Deferred Member Drawdown Lifecycle*	Aegon BlackRock Cash (BLK)	Aegon BlackRock World (ex-UK) Equity Index (BLK)
Growth	-1.30% to 2.93%	-1.30%	3.00%
AMC	0.15% to 0.60%**	0.15%	0.18%
AAE	0.00% to 0.03%	0.03%	0.01%
TC	0.01% to 0.30%	0.01%	0.01%**

* As the Lifestyle investment option consists of multiple investment funds we have shown the range of growth and fund costs & charges.

** Negative transaction costs have been treated as zero in this illustration.

Growth is the assumed growth rate for the fund after taking into account assumed price inflation of 2% per annum.

AMC is the Annual Management Charge, which is a yearly management charge expressed as an annual percentage but calculated and deducted on a daily basis from the fund.

AAE are the Additional Annual Expenses, which are an estimate of any additional fees and expenses that may apply, such as fees for custody, administration and trustee services that may be incurred in addition.

TC are the Transaction Costs, which are an estimate of explicit and implicit costs incurred as a result of buying, selling, lending or borrowing of investments in the fund, based on the average of the actual annual transaction costs for the period 01/04/18 to 31/03/2022.

The impact of transaction costs and charges on fund values (£)

The 'Before Charges' column shows each fund value without any transaction costs, charges or expenses being applied to the fund's holdings.

The 'After all charges' column shows the fund's holdings after transaction costs, charges and expenses have been deducted.

Years	Deferred Member Drawdown Lifecycle*		Aegon BlackRock Cash (BLK)		Aegon BlackRock World (ex-UK) Equity Index (BLK)	
	Before Charges	After all charges	Before Charges	After all charges	Before Charges	After all charges
1	15420	15360	14805	14777	15435	15404
3	16296	16106	14423	14341	16343	16245
5	17221	16888	14050	13917	17305	17133
10	19771	19014	13160	12913	19964	19569
15	22698	21408	12327	11980	23031	22351
20	26059	24103	11546	11116	26570	25529
25	29917	27138	10815	10313	30653	29158
30	34347	30554	10130	9569	35363	33304
35	37849	32608	9488	8878	40797	38039
40	39977	32926	8887	8237	47066	43447
45	41857	33043	8325	7642	54298	49625

About this illustration

Your current age is 20 and retirement age is 65.

The existing fund value is £15,000.

No future contributions will be paid.

We've shown the default Deferred Member Drawdown Lifecycle Investment Option that the majority of deferred members invest in.

We've also shown the Aegon BlackRock Cash (BLK) and Aegon BlackRock World (ex-UK) Equity Index (BLK) funds to show the asset classes with the lowest and highest assumed growth.

Investment growth

The value of your investments will grow at a rate appropriate to the funds you're invested in and inflation will be 2.0% every year. This is an illustrative growth rate only. The investment growth achieved may be more or less than this and may vary depending on the fund(s) you're invested in.

The assumed growth rate used for each fund is shown above. This rate is based on our view of potential long-term returns of the main asset classes (equities, property, corporate bonds, government bonds and cash) and will vary depending on the fund(s). The growth rates for mixed asset funds are derived from the asset class growth rates based on the investment objectives and long-term asset allocation of the funds.

If the growth rate we've used is:

- the same as the rate of inflation this reduces the growth rate, after making an allowance for inflation, to 0%;
- less than the rate of inflation, this produces a negative growth rate after making an allowance for inflation.